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SUBJECT: ORGANIZED CRIME FIGHT IN SERBIA

REF: BELGRADE 212; BELGRADE 469; BELGRADE 791

Summary

1. (SBU) Top Serbian officials publicly announced a campaign against organized crime and appear to be committed to fight it. Serbia has had some regional cooperation successes, and officials talk about further initiatives. A series of recently enacted laws, and several additional contemplated laws, would aid in that fight if implemented effectively, although the laws have not clearly defined "organized crime." Serbia now needs to show it will enforce these new laws, tackle the big fish, and seriously deepen regional cooperation.  
End summary.

Top Officials Commit to Fighting Organized Crime

2. (U) Top Serbian officials continue to speak publicly on the need to combat organized crime and corruption. Following on a series of public statements in March (ref A), President Tadic at a funeral for a policeman in Novi Sad on April 13 said, "organized crime will be destroyed" and that he and government officials would not falter in this, otherwise "organized crime will dictate the lives of our children." Tadic's speech kicked off a spate of public statements, largely from the Justice and Interior Ministries.

Regional Cooperation Is Key

3. (SBU) The government publicly has placed a priority on tackling this transnational problem in concert with its neighbors. The April 27 arrest of prominent organized crime figure "Joca" Amsterdam in cooperation with Croatian police (ref B) underscored this commitment. Organized Crime Prosecutor Miljko Radisavljevic told us that recent cooperation with Croatia and with other European nations, particularly in drug-trafficking cases had been excellent. He also noted, however, that cooperation with authorities in Kosovo, including UNMIK and EULEX, had been almost nonexistent. In early July, State Secretary for Justice Slobodan Homen said in an article that Serbia would propose creating a regional center for combating organized crime. Minister of Justice (MOJ) Malovic told us in May that Serbia recently had signed a memorandum of cooperation with France and the Slovak Republic, as well as an agreement with Montenegro on mutual legal aid. She likewise cited the recently passed Law on Mutual Assistance in Criminal Matters, asserting that it would contribute to a more efficient fight against various forms of crime.

¶4. (SBU) Radisavljevic told us that several obstacles made it difficult for Serbia to combat organized crime. Current problems included the law's limitations on use of special investigative techniques (SIT), the limited jurisdiction of his office, and the short terms of deputy organized crime prosecutors, who left office just as they were beginning to understand their work. Radisavljevic said that as a result, his office spent most of its time combating ad hoc criminal associations rather than large organizations.

¶5. (SBU) According to Radisavljevic, new and pending legislation would improve the situation. Most importantly, the Law on Public Prosecution, passed on December 22, 2008, would strengthen the Organized Crime (OC) Prosecutor's Office. Under the new law, effective January 2010, the OC Prosecutor's office will be independent and rank just below the nation's highest prosecutor's office, permit the establishment of offices outside of Belgrade, and allow the OC Prosecutor's Office to apply its expertise to its own appeals. Another new law, the Law on Seizure and Confiscation of the Proceeds of Crime (the "Asset Forfeiture Law"), provides for temporary seizure and final forfeiture of the proceeds of various crimes. The law also creates a Financial Intelligence Unit (FIU) within the Interior Ministry to identify criminal proceeds and a directorate to collect, manage, and sell or otherwise dispose of such proceeds. Neither the directorate nor the FIU is yet fully functional, but the government has begun implementing the law. Justice Ministry State Secretary Slobodan Homen told press August 7 that the government had initiated procedures to seize over 100 million Euros worth of assets.

¶6. (U) Other legislation not specifically aimed at combating organized crime may also aid the efforts to combat it. The Law on the Liability of Legal Entities for Criminal Offenses has potential application to organized crime groups that use corporations or other legal entities to conduct criminal activity, enabling prosecution of these organizations separate from the individual members of organized crime groups.

¶7. (U) One issue the new legislation will not address is the lack of a consistent definition of "organized crime" in the legislation, which may continue to hamper prosecutions by making unclear what crimes the Organized Prosecutor's Office can handle. In addition, none of these definitions follow the so-called Palermo Convention, the United Nations Convention against Transnational Organized Crime, to which Serbia is a party. The lack of adherence to the Palermo Convention calls into question Serbia's alignment with European principles in fighting organized crime.

#### Additional Legislation in the Works -----

¶8. (U) Three other bills MOJ is drafting would give the government additional anti-organized crime tools and address some of Radisavljevic's concerns. The first is the proposed new Law on Organization and Jurisdiction of Government Authorities in Suppression of Organized Crime, known as the OC Bill, which extends the time a deputy prosecutor is assigned to the OC Prosecutor's Office from the current nine months to four years, expands the definition of "organized crime offenses," and clarifies that SIT, such as wiretapping, can be used in all crimes under the OC Prosecutor's jurisdiction. The National Assembly will consider the bill when it returns from its summer recess. The second key proposed bill, known as the CPC Bill, would make a variety of changes to the Criminal Procedure Code, including increased use of SIT, expanded use of undercover investigations, and expanded use of testimony by "witness collaborators"--members of an organized crime group who will testify for the prosecution against other members. The third proposed legislative change is an entirely new Criminal Procedure Code, which would completely replace the old CPC and is expected to include increased prosecutorial authority over investigations, clarification of various law enforcement powers, and enhanced use of SIT. Malovic told us that she expects the new CPC to be passed by the National Assembly in early 2010, with implementation to occur

sometime during 2011.

Comment

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19. (SBU) High-ranking Serbian officials have been saying all the right things about the need to work with their neighbors and address organized crime seriously and have taken some steps to do so. Cooperation with other countries on a few high-profile cases is a good sign, but Serbia needs to show a consistent commitment to intensifying its cooperation with all countries in the region in order to take on large, transnational organized crime groups. The National Assembly's deferral of several bills until after the summer recess (ref C) could delay some of the needed draft legislation. The government's slow start in cooperating with EULEX and refusal to include Kosovo in regional fora also hamper their regional cooperation efforts.

End comment.

BRUSH